

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE APPLICATION OF GENERAL)	
TELEPHONE COMPANY OF KENTUCKY)	CASE NO. 8149
FOR AN ORDER AUTHORIZING THE)	
ISSUANCE AND SALE OF SECURITIES)	

O R D E R

On February 19, 1981, General Telephone Company of Kentucky filed with the Public Service Commission, formerly the Utility Regulatory Commission, its Application seeking authority to issue and sell 40,000 shares of its no par common stock for a consideration of \$10,000,000.

The proceeds from the sale of the securities will be used to repay \$10,000,000 in short-term loans, the proceeds of which have been used to make substantial additions to and replacements of telephone plant in order to meet the demands of the public for telephone service.

The matter was set for public hearing for March 10, 1981, at the Commission's offices in Frankfort, Kentucky. The hearing was held as scheduled with no objections being entered and is now considered to be fully submitted for final determination by this Commission.

The Commission, after consideration of the Application and all evidence of record and being advised, is of the opinion and finds that the proposed issuance and sale by the Applicant of 40,000 shares of its no par common stock to General Telephone and Electronics Corporation for a consideration of \$10,000,000 is for a lawful object within the corporate purposes of the utility, is necessary and appropriate for and consistent with the proper performance by the utility

of its service to the public and will not impair its ability to perform that service and is reasonably necessary and appropriate for such purpose.

IT IS THEREFORE ORDERED that General Telephone Company of Kentucky be and it hereby is authorized to issue and sell 40,000 shares of its no par common stock to its parent company, General Telephone and Electronics, for a consideration of \$10,000,000.

IT IS FURTHER ORDERED that the proceeds from the sale of the securities authorized herein shall be used only for the lawful purposes as set out in the Application.

Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky or any agency thereof as to the securities authorized herein.

Done at Frankfort, Kentucky, this the 20th day of March, 1981.

PUBLIC SERVICE COMMISSION

Marlin M. Vob
Chairman

Katharine Randall
Vice Chairman

Gene S. Larnage
Commissioner

ATTEST:

Secretary